

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF WASHINGTON

In re:

NORTHWEST TERRITORIAL MINT,  
LLC

Debtor

Case No. 16-11767-CMA  
Chapter 11

**DECLARATION OF BILL ATALLA IN  
SUPPORT OF MOTION FOR  
ALLOWANCE AND PAYMENT OF  
ADMINISTRATIVE EXPENSE CLAIM**

Bill Atalla hereby declares under penalty of perjury as follows:

1. I am the former CEO of the debtor, my employment having been approved by order dated February 7, 2017 (ECF #897). I make this declaration on my personal knowledge.

2. I make this declaration in support of my motion for allowance and administrative expense claim. I am claiming \$220,209, consisting of the following elements:

Deferred salary .....	\$12,500.00
Vacation pay .....	\$25,000.00
Severance pay .....	\$100,000.00
Un-reimbursed expenses .....	\$2,909.00
Late payment fee for last paycheck .....	\$25,000.00
Additional services rendered after 12/29/17 (at \$400/hour):	
Phone calls with prospective investors (49 hours) .....	\$19,600.00
Meetings, tours, proposals, travel (88 hours) .....	\$35,200.00
TOTAL .....	\$220,209.00

3. In addition, I am claiming a reasonable attorney's fee for enforcement of the Employment Agreement. If this motion is unopposed, my attorney fee claim will be \$3500.00. If it is opposed, I seek leave to amend this claim at the conclusion of the

**DONALD A BAILEY**  
720 Olive Way, #1000  
Seattle WA 98101  
206 682 4802  
donald.bailey@shaferbailey.com

DECLARATION - 1

1 motion to include the actual attorney's fees incurred.

2       **4. Deferred salary, \$12,500.00:** My salary was \$300,000 per year, or \$25,000 per  
3 month (Employment Agreement sec. 3.1). To alleviate the estate's cash flow issues, the  
4 trustee requested that I defer 10% of this salary for six months. I agreed to the trustee's  
5 request. Six months of deferred salary is \$12,500.

6       **5. Vacation pay, \$25,000.00:** I accrued 20 days of paid vacation on my first day of  
7 employment (Employment Agreement sec. 3.6). I did not take any vacation during my  
8 tenure as CEO of the debtor. I did not have the chance to use any of his vacation pay  
9 prior to his termination. I am therefore entitled to one month's salary as vacation pay.

10       **6. Severance pay, \$100,000.00.** I earned \$25,000 of severance pay per calendar  
11 quarter. I was terminated on December 29, 2017, which was the last business day of the  
12 calendar quarter. In other words, I worked the entire fourth quarter of 2017. The  
13 trustee's purported termination of me on December 29 was simply a ruse to avoid  
14 paying an additional quarter of severance pay. The trustee's action in this regard was  
15 not in good faith. I should be awarded severance for the fourth quarter of 2017, as well  
16 as for the first three quarters of the year.

17       **7. Un-reimbursed expenses, \$2,909.00:** the Employment Agreement provides  
18 that I shall be reimbursed "for reasonable authorized business expenses incurred in  
19 connection with the performance of NWTM duties". I have previously submitted to the  
20 trustee documentation of my expenses in compliance with the Employment Agreement.

21       **8. Late payment penalty for last paycheck, \$25,000.00:** My final paycheck in the  
22 amount of \$25,000 was due three days after I was purportedly terminated, that is  
23 December 31, 2017. It was not paid until 66 days later, March 7, 2018.

24       **9. Additional services rendered after 12/1/17 (at \$400/hour): \$54,800.00:** After  
25 shutting down the debtor's business, the trustee continued to employ my services. The

26  
27  
28 DECLARATION - 2

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1 trustee asked me to help secure investors and buyers for the debtor's business. A text  
2 message from the trustee to me, representative of many he sent, is attached as Exhibit A.

3 9.1 I spent over 90% of the 137 hours for which I seek compensation on the  
4 phone, sending and answering email, preparing presentations, traveling, and meeting  
5 with investors, all in an effort, specifically requested by the trustee, to secure an investor.  
6 Much of this travel and meeting time was in the company of the trustee. I had the  
7 contacts and the operational knowledge that the trustee needed in his efforts to secure  
8 investors.

9 9.2. The remaining roughly 10% of this time was spent dealing with former  
10 employees and vendors who had been blindsided by the trustee's sudden shut-down of  
11 the business on December 29, 2017. You can't just walk away and not address the  
12 concerns of the 112 employees who just lost their jobs.

13 9.3. The hourly rate of \$400 I am claiming is the same rate charged by the trustee.  
14 The actual time spent and is detailed on a time log, attached hereto as Exhibit A.

15 9.4. In seeking my services after my purported termination, the trustee was  
16 continuing to employ me. The trustee certainly did not ask, and presumably did not  
17 expect, me to volunteer my services. If some further court approval was necessary for  
18 me to be paid for this additional work, I relied on the trustee and his attorneys to see to  
19 that, just as they had seen to the approval of my employment agreement when I was  
20 first hired.

21 Dated: April 19, 2018

22 /s/ Bill Atalla

23  
24  
25  
26  
27  
28 DECLARATION - 3

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Exhibit A

**Mark Calvert**

12/31/17



Re: Fwd: Undercurrent defined

[Details](#)

To: Bill Atalla

Bill

We are above all this noise let's focus on getting the money in and realizing the potential of this company for the employees and the investors.

Mark

F\*\*\* everybody else

*Sent from my Verizon 4G LTE Droid*

On 31 Dec 2017 2:12 pm, Bill

Atallamcs <[atallamcs@aol.com](mailto:atallamcs@aol.com)>

wrote:



EMAIL LOG : POST TERMINATION EFFORTS  
12/29- 2/10

Exhibit B

1/19 1/21 1/22<sup>2</sup> 1/25<sup>4</sup> 1/26<sup>2</sup> 1/29 1/30<sup>5</sup> 1/30 1/30<sup>3</sup> 1/31<sup>7</sup> 2/1<sup>2</sup> 2/2<sup>3</sup>  
2/2<sup>2</sup> 2/7 2/7 2/11<sup>8</sup> 2/13

12/29- 1/19 ARE ON COMPANY EMAIL SERVER WHICH I DONT HAVE ACCESS TO.

1/30 RE: INDUSTRIAL ASSETS (WHO BOUGHT EQUIPMENT) FACTORY TOUR, PROPOSAL

1/30 HERFF JONES INVESTOR PROSPECT - VISIT TO INDIANA

1/31 FRANK NOLAND " " FACTORY TOUR, PROPOSAL ON 2

12/29- 1/19 JOSEPH TOFOYA INVESTOR PROSPECT LUNCH, TOUR, PROPOSAL

TEXT LOG :

1/12 2/2 12/30 1/2 1/7 1/9 1/10 1/12 1/13 1/17 1/19 1/21 1/29  
2/1 2/2 2/2 2/2 2/3 2/3 2/4 2/4 2/5 2/7 2/7 2/8

EMPLOYEES, PROSPECTS, POSSIBLE BUSINESS OPPORTUNITIES

THERE WERE MORE BUT DELETED SOME FOR SPACE

PHONE LOG :

MARK CALVERT (MY PERSONAL PHONE) (TRUSTEE)

1/3 1/3 1/4 1/9 1/10 1/12 1/12 1/15 1/16 1/18 1/18 1/18  
1/24 1/24 1/26 2/1 2/7 2/10 2/16 2/16

5.5 hrs

INVESTOR & CO MATTERS

MARK KINDREE 1/13 1/18 1/25 1/29 1/31 (OUTSIDE FINANCE)

2.5 hrs

INVESTOR & PRO FORMAT PREPARATION

MATT LEE 2X DAILY (60 CALLS) (HR DIRECTOR)

15 hrs

EMPLOYEE ISSUES, INVESTORS, CO. ISSUES

Michael White 4X (PRODUCTION MANAGER)

1 hr

INVESTORS, EQUIPMENT EVALUATION

ANITA LAURENCE 1/2 1/9 1/12 1/15 1/19 1/24 2/12 (OUTSIDE NNDA)  
2/12 2/16 2/16

5 hrs

INVESTOR LEADS

EMPLOYEES FRINA (4) CINDY (4) ROGER (11) CATHY (4) DARLENE (6)  
MARLY (4) ERICA (2) RANDY (5) ASHLEY (2) ALI (4)  
RUSS (1) STEVE (1)



VENDORS

PATRICK (2) RYAN (1) LYNN (NNOA) (3) RYAN B (2)

2 hrs

CUSTOMERS

DON STRUBBE (8)

4 hrs

INVESTORS

ROD JORGANSON (2) ZACH HANSON (3)

VINCE SCOTT (6) NICK-INDUSTRIAL ASSOCS (2)

3.5 hrs

TOTAL 49 hours

INVESTOR MEETINGS:

JOSEPH TOFOYA, FRANK NOLAND + 3, INDUSTRIAL ASSOCS, HERFF JONES  
FRAMING SUCCESS, VINCE SCOTT, GARY ANDERSON & ASSOC. BRADFORD  
TRAVEL TO INDIANA, FACTORY TOURS, RENO MEETINGS ETC.

TOTAL 88 hours

JOSEPH TOFOYA 13 hrs

FRANK NOLAND 14 hrs

INDUSTRIAL ASSOCS 13 hrs

BRADFORD 7 hrs

HERFF JONES 29 hrs

VINCE, CARY  
ANITA, ZACH  
FERG, NNOA 12 hrs